

VZCZCXRO6818
PP RUEHGR
DE RUEHPO #0577/01 3061741
ZNR UUUUU ZZH
P 021741Z NOV 07
FM AMEMBASSY PARAMARIBO
TO RUEHC/SECSTATE WASHDC PRIORITY 9780
INFO RUCNCOM/EC CARICOM COLLECTIVE
RUEHAO/AMCONSUL CURACAO 1183

UNCLAS SECTION 01 OF 03 PARAMARIBO 000577

SIPDIS

SIPDIS

DEPT FOR WHA/CAR: JROSHOLT; USTR FOR KENT SHIGETOMI

E.O. 12958: N/A

TAGS: [ETRD](#) [AMGT](#) [XK](#) [XL](#) [NS](#)

SUBJECT: POST INPUT TO REPORT THE OPERATION OF THE CARIBBEAN BASIN
ECONOMIC RECOVERY ACT

REF: STATE 143212

PARAMARIBO 00000577 001.2 OF 003

11. (U) Post submits input for the report on the Operation of the
Caribbean Basin Economic Recovery Act. Answers are keyed to
reftel.

12. (U) Paragraph 6. (1) WHETHER THE BENEFICIARY COUNTRY HAS
DEMONSTRATED A COMMITMENT TO UNDERTAKE ITS OBLIGATIONS UNDER THE WTO
UNDER OR AHEAD OF SCHEDULE AND PARTICIPATES IN NEGOTIATIONS TOWARD
THE COMPLETION OF A FREE TRADE AGREEMENT.

Suriname is an actively participating member of the WTO and CARICOM
and has under these agreements participated in the discussions of a
free trade agreement. The actual implementation of obligations
under these agreements has, however, been slow. Implementation of
obligations usually drags on until the deadline is reached and is
then usually achieved.

(2) THE EXTENT TO WHICH THE COUNTRY PROVIDES PROTECTION OF
INTELLECTUAL PROPERTY RIGHTS CONSISTENT WITH OR GREATER THAN THE
PROTECTION AFFORDED UNDER THE AGREEMENT ON TRADE- RELATED ASPECTS OF
INTELLECTUAL PROPERTY RIGHTS

Although Suriname is a signatory to the WTO TRIPS agreement, the
country has not yet ratified this agreement. IPR protection is very
limited due to the limited legislation on this issue.
The Ministry of Justice and Police has committed itself to
implementing all necessary legislation that would make Suriname
TRIPS compliant and would provide for the necessary protection
against music and brand piracy. The Ministry is also working
strengthening its Intellectual Property Bureau. Draft legislation
prepared in 2004 is currently under review by a special commission
for further revisions and, once completed, will be sent on to the
Council of Ministers and the National Assembly for approval.

(3) THE EXTENT TO WHICH THE COUNTRY PROVIDES INTERNATIONALLY
RECOGNIZED WORKER RIGHTS INCLUDING:

- (I) THE RIGHT OF ASSOCIATION;
- (II) THE RIGHT TO ORGANIZE AND BARGAIN COLLECTIVELY;
- (III) A PROHIBITION ON THE USE OF ANY FORM OF FORCED OR COMPULSORY
LABOR;
- (IV) A MINIMUM AGE FOR THE EMPLOYMENT OF CHILDREN; AND
- (V) ACCEPTABLE CONDITIONS OF WORK WITH RESPECT TO MINIMUM WAGES,
HOURS OF WORK, AND OCCUPATIONAL SAFETY AND HEALTH.

(I) The right of association: Suriname law allows workers to form
and join unions of their choice without previous authorization or
excessive requirements.

(II) The right to organize and bargain collectively: The law allows
unions to conduct their activities without interference, and the
government generally protects this right in practice.

(III) A prohibition on the use of any form of forced or compulsory

labor: While the law prohibits all forms of forced or compulsory labor, including by children, there were reports of child labor and trafficking in persons in Suriname.

(IV) A minimum age for the employment of children:

In Suriname there is a discrepancy between the minimum age for labor, which is 14 years, and the Compulsory Education Age, which is 12 years. The law restricts working hours for minors to day shifts but does not specify the length of such day shifts. Children younger than 18 are prohibited from doing hazardous work, defined as work dangerous to their life, health, and decency; those younger than 14 are only allowed to work in a family or special vocational setting or for educational purpose.

(V) Acceptable conditions of work with respect to minimum wages, hours of work, and occupational safety and health: Suriname does not have legislation providing for a minimum wage. Work in excess of 45 hours per week on a regular basis required special government permission, which was granted routinely. Employees received overtime pay for these excess hours. The law requires a 24-hour rest period per week.

A 10- to 12-member inspectorate in the Occupational Health and Safety Division of the Ministry of Labor is responsible for enforcing occupational safety and health regulations.

(4) WHETHER THE COUNTRY HAS IMPLEMENTED ITS COMMITMENTS TO ELIMINATE THE WORST FORMS OF CHILD LABOR

Suriname has ratified ILO Convention 182, regarding the worst forms of child labor. The country's labor laws, however, do not define the worst forms of child labor or hazardous work.

In December 2006, the Government installed the National Commission dealing with Child Labor, consisting of officials from various Ministries, representatives from the labor unions, the private sector and NGOs. This commission is primarily tasked with establishing an authority on child labor, as provided for in Article 4 of Convention 182. Once established, the authority will advise the

PARAMARIBO 00000577 002.2 OF 003

Government on the issue of child labor, review the existing labor legislation, and draft new legislation regarding the worst forms of child labor.

(5) THE EXTENT TO WHICH THE COUNTRY HAS MET U.S. COUNTER-NARCOTICS CERTIFICATION CRITERIA UNDER THE FOREIGN ASSISTANCE ACT OF 1961

In 2006, Suriname was not considered a major illicit drug producing and/or drug transit country as per sections 489 (a)(3), 481 (e)(2), and 481 (e)(5) of the Foreign Assistance Act of 1961.

(6) THE EXTENT TO WHICH THE COUNTRY HAS TAKEN STEPS TO BECOME A PARTY TO AND IMPLEMENT THE INTER-AMERICAN CONVENTION AGAINST CORRUPTION

Suriname signed and ratified the Inter-American Convention. In September 2007 an intergovernmental commission to combat corruption was established. The Government of Suriname recently signed a Memorandum of Understanding with the Organization of American States on cooperation in the fight against corruption.

(7) THE EXTENT TO WHICH THE COUNTRY APPLIES TRANSPARENT, NONDISCRIMINATORY AND COMPETITIVE PROCEDURES IN GOVERNMENT PROCUREMENT, AND CONTRIBUTES TO EFFORTS IN INTERNATIONAL FOR A TO DEVELOP AND IMPLEMENT RULES ON TRANSPARENCY IN GOVERNMENT PROCUREMENT

Suriname applies transparent, nondiscriminatory and competitive procurement procedures in most cases. Particularly in cases where the financing of the project have been from an outside source, the procurement procedures have been very transparent. There have been some instances, however, where cases of preferential treatment have come to light. These instances have mostly occurred in the rendering of projects related to public works.

13. Paragraph 7. - HAS THE COUNTRY NATIONALIZED OR EXPROPRIATED THE

PROPERTY OF U.S. CITIZENS? IF SO, IS THE COUNTRY TAKING STEPS TO RESOLVE THE ISSUE(S)?

There are no known cases of nationalization or expropriation of property in Suriname.

- HAS THE COUNTRY FAILED TO ACT IN GOOD FAITH IN RECOGNIZING ARBITRAL AWARDS IN FAVOR OF U.S. CITIZENS?

There are no known cases where the government has failed to act in good faith in recognizing arbitral awards in favor of U.S. citizens.

- DOES THE COUNTRY AFFORD PREFERENTIAL TREATMENT TO THE PRODUCTS OF A DEVELOPED COUNTRY, OTHER THAN THE UNITED STATES, WHICH HAS OR IS LIKELY TO HAVE AN ADVERSE EFFECT ON U.S. COMMERCE?

The country has never afforded preferential treatment to the products of any developed country and has left the source of import up to the private sector. The United States is currently Suriname's largest trading partner, with the majority of imports coming from the United States.

- DO GOVERNMENT-OWNED ENTITIES BROADCAST COPYRIGHTED MATERIAL BELONGING TO U.S. COPYRIGHT HOLDERS WITHOUT THEIR EXPRESS CONSENT?

Both government-owned and private entities broadcast copyrighted material without the express consent of the owner. The lack of adequate copyright legislation has made it difficult to combat this.

The Ministry of Justice and Police is currently working on preparing all necessary legislation that will provide regulation.

- IS THE COUNTRY A SIGNATORY TO A TREATY OR OTHER INSTRUMENT REGARDING THE EXTRADITION OF U.S. CITIZENS

On June 2nd, 1887, an extradition treaty was signed between the United States and The Kingdom of The Netherlands which entered into force on July 18th, 1889. An amendment to this treaty followed in 1904. As Suriname was a colony of the Kingdom of the Netherlands at that time, the enforcement of this treaty also applied to Suriname. Upon its independence in 1975, Suriname automatically adopted this treaty into its own legislation and it still serves as the extradition treaty between the United States and the Republic of Suriname.

- WHAT ARE THE GENERAL ECONOMIC CONDITIONS IN THE COUNTRY? (A ONE OR TWO PARAGRAPH SUMMARY WILL BE SUFFICIENT);

In 2006, Suriname's macroeconomic growth was better than expected, benefiting from a continued favorable external environment. Real GDP grew by an estimated 6 percent. Inflation dropped to below 5 percent, from 16 percent in 2005, aided by tight credit policies by

PARAMARIBO 00000577 003.2 OF 003

the Central Bank and a stable exchange rate. The external current account reported a surplus of 5 percent of GDP, while net international reserves rose sharply to 2 months of imports of goods and services. The GDP in 2006 was estimated to be USD 2.1 billion, with average GDP per Capita of USD 4,000.

Inflation for the first six months of 2007 was estimated at 6 percent. Even though the IMF has repeatedly warned Suriname about its economic dependence on minerals, the macroeconomic performance is expected to grow even further due to record international market prices for gold, aluminum, and oil. In the financial sector, the Central Bank lowered the reserve requirement for the commercial banks from 27 percent to 25 percent on January 1, 2007. This led to an increase in available local currency, and to a drop in interest rates for local currency from 15 percent to approximately 10 percent.

In 2005 the government of Suriname embarked on a bold plan to reduce all of its outstanding bilateral debt. By August 2007, after repaying its largest creditor the Netherlands, Suriname only has 2 major creditors, the United States and Brazil.

In the non-mineral sector, Suriname's major exporting products are

bananas, wood, shrimp and fish.

- TO WHAT EXTENT HAS THE COUNTRY ASSURED THE U.S. IT WILL PROVIDE EQUITABLE AND REASONABLE ACCESS FOR U.S. GOODS AND SERVICES TO ITS MARKET?

There is no limitation on the access of U.S. goods in the Surinamese market. The market for U.S. services in Suriname is relatively small and has so far been limited to services provided in the oil sector and the bauxite/mining sector. The need and interest for these services is, however, growing. The cost of these services has been a greater issue than the access for these services.

Through its membership in CARIFORUM, negotiations are currently ongoing that will establish an Economic Partnership Agreement (EPA) with the European Union. As part of this EPA Exclusion Lists, Phased Reduction Lists, and Zero Lists will go into effect that will significantly reduce, or completely eliminate, the import tariffs on goods from Europe, making them cheaper and thus more attractive. The EPA is expected to go into effect on January 1, 2008.

- WHAT IS THE EXTENT OF THE COUNTRY'S USE OF EXPORT SUBSIDIES OR TRADE-DISTORTING EXPORT PERFORMANCE OR LOCAL CONTENT REQUIREMENTS?

Suriname has no export subsidies, trade distorting export performance or local content requirements. The only sector that has received significant lobbying assistance from the government for its place in the international market is the banana sector. The sole destination of this product has been Europe, and the placement for this product has been arranged through EU - ACP agreements.

- DO THE TRADE POLICIES OF THE COUNTRY CONTRIBUTE TO REVITALIZATION OF THE CBI REGION AS A WHOLE?

The trade policies of Suriname do not specifically contribute to the revitalization of the CBI region as a whole. Suriname is not a member of the CBI or CBERA.

- IS THE COUNTRY UNDERTAKING SELF-HELP MEASURES TO PROMOTE ITS OWN ECONOMIC DEVELOPMENT?

Self-help measures for the promotion of the local economic development have been very limited and have been on a macro/monetary level. The private sector has taken a primary role in the development of business opportunities.

- IS THE COUNTRY COOPERATING WITH THE U.S. IN THE ADMINISTRATION OF CBERA?

Suriname has no cooperation with the United States on the administration of CBERA.

14. (U) The point of contact at post is:

Geneve Menscher
Section Head
Political- Economic Section
Tel. (597) 472-900 ext. 2205
Fax (597) 420-800
menscherge@state.gov

WEBB